April 24, 2020

Mr. David Bean
Director of Research and Technical Activities
Governmental Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116

RE: Project No. 3-39, Postponement of the Effective Dates of Certain Authoritative Guidance

Dear Mr. Bean:

Airports Council International – North America (“ACI-NA”) welcomes the opportunity to comment on the Exposure Draft (“ED”) of the Governmental Accounting Standards Board (“GASB”) referenced above. ACI-NA is the voice of North American airports, representing local, regional and state governing bodies that own and operate commercial airports in the United States and Canada. Our members represent more than 300 airports operating in the United States and Canada and nearly 400 aviation-related businesses.

First and foremost, we appreciate the responsiveness of the GASB staff and board members for undertaking this project to provide necessary and temporary relief to state and local governments from the implementation of certain GASB standards and implementation guide provisions. The COVID-19 pandemic is having a pervasive impact across the country and we are still collectively working to grasp the full impact. As a result, a broad and expansive relief measure is warranted such as the delay proposed by the GASB in the ED.

With that said, we believe that for airports particularly, an additional year deferral for GASB 87 implementation is necessary for the following reasons:

- Airports are acutely impacted by the COVID-19 pandemic with unprecedented declines in passenger traffic, triggering a cascade of consequences including the assessment of a variety of requested relief measures potentially impacting a large number of lease agreements in place at airports across the country.
During the period when users of these financial statements will be evaluating the impact of the COVID-19 pandemic on airports, implementation of a significant standard such as GASB 87 may complicate and actually lessen transparency in financial reporting when transparency and clarity of financial reporting is critical for the financial statement users.

Just as the GASB recognized the unique circumstances of airports when crafting the final language in the standard, so should the GASB now recognize these unique circumstances in the application of an implementation deferral period. We find ourselves today in a position where the airports we represent are acutely impacted by both the COVID-19 pandemic as well as GASB 87. We believe this combination of circumstances warrants the addition of a narrowly defined two (2) year deferral for GASB 87 implementation by airports.

We would be happy to provide a definition of airports to the GASB to ensure clarity regarding the financial reporting entities that would be within the scope of the GASB 87 deferral we are suggesting.

Thank you for your consideration, and please do not hesitate to contact us if we can provide any additional input.

Sincerely,

Liying Gu
Vice President, Economic Affairs and Research
Airports Council International – North America